

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

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OCT 2 1 2013

Ref: 8EPR-N

Rob Hamilton Fishlake National Forest 115 E 900 N Richfield, UT 84701

Re: Final Environmental Impact Statement for

Oil and Gas Leasing on the Fishlake National Forest: CEQ # 20130265

Dear Mr. Hamilton:

The United States Environmental Protection Agency Region 8 (EPA) has reviewed the Final Environmental Impact Statement (EIS) and Record of Decision (ROD) prepared by the U.S. Department of Agriculture Forest Service (Forest Service) for oil and gas leasing on the Fishlake National Forest. Our comments are provided for your consideration pursuant to our responsibilities and authority under Section 102(2)(C) of the National Environmental Policy Act (NEPA), 42 U.S.C. Section 4332(2)(C), and Section 309 of the Clean Air Act, 42 U.S.C. Section 7609.

Project Background and General Comments

The ROD selects Alternative C from the Final EIS which makes approximately 1,707,810 acres of land administratively available for oil and gas leasing. This includes 1,353,863 acres offered for lease subject to a No Surface Occupancy (NSO) stipulation, 209,120 acres subject to a Controlled Surface Use (CSU) stipulation, 82,359 acres subject to a Timing Limitation (TL) stipulation, and 62,468 acres subject to standard lease terms and conditions. The reasonably foreseeable development (RFD) scenario for the Preferred Alternative predicts development of 43 exploratory wells and 30 production wells on leases within the Forest.

The EPA provided comments on the Draft EIS in a letter dated April 2, 2012. We appreciate that improvements were made to the analysis in the Final EIS, and that several changes have been made to conditions under which lands would be offered for lease, which reduced potential environmental impacts that we identified in our comment letter on the Draft EIS. For example, we are pleased to see the improved analysis of how oil and gas exploration and development may impact lakes and reservoirs with completed TMDLs and/or listed water quality impairments. Specific situations under which future air quality modeling would be conducted have also been outlined in the Construction and Operating Standards and will be provided in a notice to future lessees. Our comments on the Draft EIS primarily related to water resources and air quality, and our remaining remarks concerning these resources are in the following sections.

Air Quality

The EPA appreciates that air quality modeling has been added to the Final EIS to address the 1-hour NO2 and 1-hour SO2 National Ambient Air Quality Standards (NAAQS). The nearest receptor presented in this analysis is a distance of 1 kilometer from the emission source. For NEPA modeling assessments for near-field impacts, the EPA recommends that the nearest receptor be placed at the ambient air boundary, or no further than 100 meters from the ambient air boundary, which typically means 100 meters from the modeled well pad. A 1-hour NO₂ concentration of 127 μg/m³ was predicted at 1 km. Since impacts would likely be higher at distances closer than 1 km from the pad, the EPA is concerned that 1-hour NO₂ concentrations may approach or exceed the NAAQS of 188 μg/m³ (100 ppb). We therefore recommend that future NEPA analyses for any oil and gas activity on the Fishlake National Forest include near-field modeling for 1-hour NO2. Because no near-field modeling was included in this planning-level analysis, we recommend that the Forest Service also consider near-field modeling for other criteria pollutants for future oil and gas activity. We recommend that any future modeling conducted for project-specific analysis conform to the EPA-recommended distance of 100 m for placement of the nearest receptors to well pad emission sources. It will also be particularly important to ensure that appropriate design measures or mitigation measures are applied at the project level to protect the public.

We appreciate that a cumulative impact assessment has been added to the Final EIS, including a discussion of potential ozone impacts. The EPA questions the value of including the findings of the Uinta Basin Air Quality Study (UBAQS) in the EIS due to the shortcomings of this study acknowledged in the Final EIS and particularly given that the 2012 "future" year of this modeling study is now in the past. We recommend that the Forest Service utilize the stakeholder coordination process described in the "Memorandum of Understanding Among the U.S. Department of Agriculture, U.S. Department of the Interior, and U.S. Environmental Protection Agency, Regarding Air Quality Analyses and Mitigation for Federal Oil and Gas Decisions Through the National Environmental Policy Act Process" when conducting future NEPA analyses for leasing decisions, to determine an appropriate analysis method for disclosing air quality impacts.

Since the level of oil and gas exploration and development that may ultimately occur on leased lands within the Fishlake National Forest is not conclusively known, we appreciate the Forest Service's commitment to require additional modeling in the future under a variety of situations. While most of these situations are clearly documented in Appendix A, the commitment on Page 176 to require future ozone modeling if oil and gas activity exceed the bounds of the EIS analysis is not apparent in the Controlled Surface Use stipulation. We recommend adding this commitment as a separate numbered requirement in the Construction and Operating Standards and the Lease Notice so operators are aware of this important requirement. Given the increasing ozone concerns in Utah, we additionally recommend that the Forest Service consider adding mitigation requirements to future oil and gas activity, including but not limited to green completions, control of tank emissions with vapor recovery units, the potential for pipeline gathering systems, the use of Tier IV drill rig and fracturing pump engines, and electrification of processes that would otherwise be powered by combustion processes.

Key background air quality information necessary to understand the potential impacts to air quality from oil and gas leasing and development on the Fishlake National Forest continues to be absent from the Final EIS. For future NEPA analyses, please provide updated tables of Class I and Class II increments

including 24-hour and annual PM_{2.5}. These can be found at 40 CFR 52.21(c) and are included below for your convenience. Please also include a comparison of the project impacts to the NAAQS and present representative background concentrations that can be added directly to projected incremental impacts to assess total impacts of potential oil and gas development.

Current PM_{2.5} Increments - 40 CFR 52.21(c)

Pollutant	Period	Class I Increment	Class II Increment
PM _{2.5}	24-hour	2 μg/m ³	$9 \mu \text{g/m}^3$
	Annual	$1 \mu g/m^3$	$4 \mu g/m^3$

Water Resources

Because groundwater in the Forest has not been well characterized, the EPA's comments on the Draft EIS recommended that additional information characterizing the Forest's groundwater resources be provided in the Final EIS to improve understanding of the potential for impacts. This information has not been provided in the Final EIS. We therefore recommend that environmental analyses conducted prior to any oil and gas leasing in the Fishlake National Forest include the following:

- Maps of the aquifers in the project area including formation names and depths;
- Identification of existing and potential underground sources of drinking water (USDW);
- The location and extent of the groundwater recharge areas; and,
- Identification of shallow and sensitive aquifers that are susceptible to contamination from surface activities.

The EPA appreciates the excellent NSO stipulation included in the ROD to protect Drinking Water Source Protection Zones (DWSPZs) in the Preferred Alternative. Although there are no state-designated surface water protection zones currently within the Fishlake National Forest, such zones may be designated in the future. Our comments on the Draft EIS therefore suggested that the Forest Service consider expanding the NSO stipulation for DWSPZs to include surface water zones in case such zones are designated during the life of this planning document. We are confused by the response to this comment provided in the Final EIS and ROD. While the Response to Comments in Appendix G of the Final EIS states that it is impossible to apply an NSO stipulation without knowing if or when a surface water protection zone might be designated in the future, Section 3.9.1.1 of the Final EIS states that both surface and groundwater protection zones would be NSO in zones 1-3 under Alternative C. The NSO stipulation for protection of DWSPZs in Appendix A states that it applies "Within the delineated boundary of DWSPZs (Zones 1-3, and T2 and T4)," without specifying surface water versus groundwater. We recommend that the Forest Service revise the stipulation to state its applicability to currently delineated groundwater zones 1-3 as well as any additional zones 1-3 that may be delineated in the future, including surface water zones 1-3.

In our comments on the Draft EIS, the EPA recommended enhancing the NSO stipulation for a 300-foot buffer around all perennial streams, reservoirs, springs and lakes by increasing the buffer to 500 feet, and adding a 500 foot buffer for wetlands and riparian areas. While we appreciate the Forest Service's response to our comment explaining that the Selected Alternative also includes an NSO restriction for slopes greater than 35%, which will help to prevent impacts associated with stormwater runoff, we

continue to believe that a valuable environmental benefit is gained by increasing the NSO buffer to 500 feet. In addition to reduced sedimentation, a setback of 500 feet also provides a greater travel time for any spills or leaks of contaminants at the well site before reaching surface water, allowing more time for clean-up of a potential spill. We therefore request that the Forest Service, in coordination with the BLM, consider the additional protection afforded by siting wells at least 500 feet from these water resources when future wells are proposed on the Fishlake National Forest. We recommend that the authorities provided under 43 CFR 3101.1-2 be used to ensure that wells are not drilled less than this distance from water resources where appropriate.

The Selected Alternative includes an NSO stipulation that prevents construction of well sites or production facilities within 300 feet of jurisdictional wetlands. We note that according to Executive Order 11990, federal agencies are required to minimize the destruction, loss or degradation of wetlands, and to preserve and enhance the natural and beneficial values of wetlands in carrying out the agency's responsibilities, regardless of the Clean Water Act § 404 jurisdictional status of the wetlands. While the stipulation in Appendix A references EO 11990, it incorrectly cites the Executive Order as applying only to jurisdictional wetlands, and the stipulation applies to "within 300 feet of delineated and mapped boundary of jurisdictional wetlands." To clearly comply with EO 11990, we recommend that the NSO stipulation be revised to protect all wetlands regardless of their jurisdictional status.

Conclusion

The EPA appreciates the opportunity to comment on this Final EIS. If you have any questions about the comments provided in this letter, please contact me at (303) 312-6925. You may also contact Molly Vaughan, lead reviewer for this project, at (303) 312-6577 or by email at vaughan.molly@epa.gov.

Sincerely,

Suzanne J. Bohan

Director, NEPA Compliance and Review Program Office of Ecosystems Protection and Remediation